

## Message Text

PAGE 01 QUEBEC 00019 01 OF 04 180750Z  
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C O N F I D E N T I A L SECTION 1 OF 4 QUEBEC 0019

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EXDIS

E.O. 11652: GDS  
TAGS: PFOR, CA  
SUBJECT: CONTRIBUTION TO STUDY OF IMPACTS OF PQ ELECTION

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### A. PARTI QUEBECOIS STRATEGY

1. THE PRECISE STRATEGY WHICH THE PARTI QUEBECOIS INTENDS TO FOLLOW OVER THE NEXT SEVERAL YEARS IS STILL IN THE STAGE OF FINAL DEFINITION. HOWEVER, THEIR GOAL IS QUITE CLEAR - INDEPENDENCE. THE PQ WON THE 1976 ELECTION STRESSING THE NEED FOR A CHANGE, ECONOMIC AND MORAL MISMANAGEMENT BY BOURASSA,

AND THE GENERAL DISHEARTENED ATMOSPHERE OF THE MOMENT AND LEAVING THE ISSUE OF INDEPENDENCE SEMI-HIDDEN BEHIND ITS REFERENDUM PROPOSALS. THE RAISON D'ETRE OF THE PQ REMAINS THE INDEPENDENCE OF QUEBEC. THE QUESTION NOW BEING DECIDED IS HOW TO REACH THIS GOAL AND, IF NECESSARY, HOW TO DEFINE PRECISELY THEIR CONCEPT OF CONFIDENTIAL

PAGE 02 QUEBEC 00019 01 OF 04 180750Z

INDEPENDENCE IN A CANADIAN AND A NORTH AMERICAN CONTEXT.

2. PREMIER LEVESQUE HAS SUGGESTED THAT THE PARTY'S PROGRAM MAY NEED SOME ADJUSTMENT NOW THAT PQ IS IN POWER AND THE PQ CONGRESS SCHEDULED FOR NEXT MAY WILL TAKE SUCH A STEP. HOWEVER, AS LONG AS INDEPENDENCE REMAINS THE FIRST ARTICLE OF THE PQ PLATFORM, IT WILL BE PARTY'S ULTIMATE GOAL AND A SUBJECT WHICH WILL FASCINATE BOTH THOSE WHO SEEK IT AND THOSE WHO SEEK TO AVOID IT. QUESTION OF INDEPENDENCE IS BOUND TO COLOR ALL FEDERAL-PROVINCIAL RELATIONS AS WELL AS THE INTERNAL DOMESTIC POLICIES OF GOQ. IF THE ULTIMATE AIM OF THIS PROVINCIAL GOVERNMENT IS MORE OR LESS CLEAR, THE AMBIGUITY OF HOW IT IS

GOING TO PROCEED TO ATTAIN THIS GOAL AFFORDS GREAT SCOPE FOR SPECULATION.

3. CERTAINLY, THE PQ GOVERNMENT HOPES TO NEGOTIATE AT SOME TIME WITH GOC IN AN ATTEMPT TO WORK OUT THE MODALITIES OF ASSUMING POLITICAL SOVEREIGNTY IN QUEBEC AND DIVIDING THE ASSETS OF CONFEDERATION EVEN WHILE MAINTAIN MOST OF THE ECONOMIC BENEFITS OF CANADA IN SOME SORT OF COMMON MARKET AND PERHAPS MONETARY ASSOCIATION. WHEREAS THE PQ PLATFORM CALLS FOR SUCH NEGOTIATIONS TO BEGIN IMMEDIATELY AFTER ELECTION, IT NOW APPEARS THAT PQ INTENDS TO ASK QUEBECOIS - VIA REFERENDUM PROCESS - IN ABOUT TWO YEARS FOR PERMISSION TO BEGIN THESE NEGOTIATIONS. HOWEVER, BEFORE GOQ CAN BEGIN TO FOCUS INTENSIVELY ON ITS TACTICS, IT MUST COME TO GRIPS WITH ITS MAIN SHORT-TERM PRIORITY - GOVERNING QUEBEC WELL. THE SHORT, PRE-CHRISTMAS SESSION OF THE NATIONAL ASSEMBLY DEMONSTRATED THE OBVIOUS DIFFICULTIES A PARTY CAN HAVE WHEN FORMING THE GOVERNMENT FOR THE FIRST TIME. LEVESQUE'S TEAM WAS PLAGUED BY OUTSPOKEN MINISTERS, MISJUDGEMENTS, AND A POOR SENSE OF TIMING AND COORDINATION (SEE QUEBEC 401 FOR DETAILS). HOWEVER, THE UPCOMING, FULL-LENGTH SPRING SESSION WILL BE A BETTER INDICATION OF THE CAPACITY OF THIS GOVERNMENT TO MAKE THE CHANGE FROM AN IDEOLOGICAL LY ORIENTED, OPPOSITION PARTY TO THE RESPONSIBILITIES OF POWER WHERE ONE MUST DEAL IN REALITIES.

CONFIDENTIAL

PAGE 03 QUEBEC 00019 01 OF 04 180750Z

4. RENE LEVESQUE AND HIS GOVERNMENT HAVE NOT INHERITED A SITUATION WHICH PERMITS EASY GOVERNANCE. AS WILL BE DOCUMENTED ELSEWHERE IN STUDY, QUEBEC'S ECONOMIC SITUATION CONTAINS SERIOUS PROBLEMS OF UNEMPLOYMENT, STRUCTURAL WEAKNESSES, AND DEPENDENCE ON OUTSIDE SOURCES FOR A LARGE PORTION OF ITS CAPITAL NEEDS. THERE ARE NO INDICATIONS THAT THE SITUATION WILL IMPROVE IN THE FIRST 2-3 YEARS OF PQ'S MANDATE. THE SOCIAL COMATE-ESPECIALLY IN LABOR-MANAGEMENT-GOVERNMENT RELATIONS- HAS NOT BEEN GOOD. WHILE THE PQ MAY BENEFIT FROM A HONEYMOON PERIOD WITH THE LABOR MOVEMENT FROM WHICH IT DRAWS MANY SUPPORTERS, THE NECESSITY TO TAKE CORRECTIVE ECONOMIC MEASURES OVER NEXT SEVERAL YEARS AS WELL AS THE INEVITABLE GOVERNMENTAL MEDIATION ROLE IN CONTRACT TALKS COULD STRAIN, IF NOT RUPTURE, THIS FRIENDSHIP. AS OF THIS WRITING, GOVERNMENTAL RELATIONS WITH IMMIGRANT COMMUNITIES DOES NOT SEEM ANY BETTER THAN UNDER PREVIOUS LIBERAL REGIME. GOVERNMENT'S RELATIONSHIP WITH ANGLOPHONE COMMUNITY - STILL SEEN BY MANY QUEBECOIS AS SEMI-COLONIAL OPPRESSORS- NATURALLY IS MORE THAN EVER ONE OF RESPECTFUL BUT VERY WARY ADVERSARIES. GOQ HAS ALREADY ANNOUNCED THAT IT WILL BE STIFFENING TERMS OF LAW MAKING FRENCH OFFICIAL LANGUAGE OF QUEBEC AND INDICATED, BY EXAMPLE, THAT ENGLISH LANGUAGE RIGHTS- -WHILE RESPECTED - WILL BE MARGINAL TO QUEBEC LIFE FROM NOW ON. THIS, IN TURN, WILL HAVE AN AS YET UNMEASURED BUT CERTAINLY SIGNIFICANT EFFECT ON THE ECONOMIC PERFORMANCE OF QUEBEC BOTH AS IT RELATES TO ATTRACTING FUTURE INVESTMENT AND KEEPING WHAT IS ALREADY HERE. WHILE ONE COULD CITE MANY OTHER EXAMPLES, SUFFICE IT TO SAY

THAT GOVERNMENT QUEBEC IS GOING TO BE A FULL TIME JOB IN AND OF ITSELF.

5. WHILE ATTEMPTING TO GIVE QUEBEC GOOD GOVERNMENT, GOQ WILL APPROACH FEDERAL-PROVINCIAL RELATIONS IN PERIOD BEFORE REFERENDUM WITH AN ATTITUDE OF MAXIMIZING CONCESSIONS. AS LONG AS IT IS FORCED BY CIRCUMSTANCES TO BE A PROVINCE LIKE THE OTHERS, GOQ WILL ATTEMPT TO EXTRACT EVERY NICKEL POSSIBLE FROM OTTAWA, TO PRY LOOSE EVERY CONCESSION POSSIBLE, AND TO SUE IN COURTS FOR ALL RIGHTS WHICH OTTAWA WILL NOT SHARE OR CONCEDE. IN THE LATTER CONFIDENTIAL

PAGE 04 QUEBEC 00019 01 OF 04 180750Z

CASE, ANY RULINGS FINDING QUEBEC'S GOALS UNCONSTITUTIONAL WILL NOT STOP GOQ. THEIR LONG RANGE GOAL IS TO CHANGE, IF NOT JUNK, THE CURRENT CONSTITUTION ARRANGEMENT. MOST OF THESE GOQ CLAIMS VIS A VIS OTTAWA WILL BE FOLLOWING THROUGH ON DEMANDS ALREADY MADE BY PREVIOUS LIBERAL AND UNION NATIONAL GOVERNMENTS SUCH AS CONTROL OVER CULTURAL AFFAIRS, COMMUNICATIONS, AND IMMIGRATION OR BOUGHT IN CONJUNCTION WITH OTHER PROVINCES AS IS THE CASE WITH MOST OF THE COST-SHARING ARRANGEMENTS.

6. EACH TIME OTTAWA REFUSES TO BUDGE OR A COURT DECISION GOES AGAINST QUEBEC, GOQ WILL CONFRONT FEDERAL SYSTEM BY SEIZING THE OPPORTUNITY TO POINT OUT TO QUEBECOIS HOW OTTAWA AND/OR FEDERATION IS HAMPERING GOQ'S ABILITY TO TAKE STEPS NECESSARY TO PROTECT QUEBEC'S ECONOMIC AND CULTURAL LIFE. THIS HAS ALREADY BEEN DONE IN CASE OF DECEMBER FEDERAL-PROVINCIAL CONFERENCES AND FOLLOWING RECENT ADVERSE COURT DECISIONS ON AIR CONTROL OVER QUEBEC AND LICENSING OF CABLE TELEVISION OPERATIONS. GOQ MINISTERS HAVE BEEN GUIDING THE LILLY LATELY BY DREAMING OUT LOUD OF SUCH TRAPPINGS OF SOVEREIGNTY AS A QUEBEC NATIONAL POLICE FORCE, QUEBEC MERCHANT MARINE, QUEBEC SPECIAL FOREIGN POLICY FOR LATIN AMERICA, ETC. BOTH THE CHECKMATE TATICS WITH OTTAWA AND THE EXPRESSION OF MORE LONG RANGE DREAMS APPEASE THE RADICALS WITHIN THE PARTI QUEBECOIS, KEEP THE LONG-TERM GOAL BEFORE PUBLIC, AND BEGIN THE EDUCATIONAL PROCESS PREPARATORY FOR A REFERENDUM (MORE BELOW ON THAT).

7. WHEN MOVING BEYOND SHORT-TERM TACTICS OF PROVIDING A GOOD INTERNAL GOVERNMENT AGGRESIVELY DEFENDING AND EXPANDING QUEBEC'S STATUS TOWARD DISCUSSION OF LONG-TERM GOAL OF INDEPENDENCE, THE REFERENDUM QUESTION MOVES TO CENTER-STAGE. CLAUDE MORIN, NOW INTERGOVERNMENTAL AFFAIRS MINISTER, DESIGNED REFERENDUM PROPOSAL TO DIVID PROCESS OF ELECTING A PQ GOVERNMENT FROM PROCESS OF DECIDING ON INDEPENDENCE FOR QUEBEC. TACTIC WORKED HANDSOMELY IN WINNING ELECTION BUT NOW GIVES PQ A BASIC COMMITMENT WHICH IT MUST EXECUTE. HOW THE REFERENDUM IS TO BE WON IS THE MOST GRIPPING POLITICAL QUESTION IN QUEBEC THESE CONFIDENTIAL

PAGE 05 QUEBEC 00019 01 OF 04 180750Z

DAYS. SUCH QUESTIONS AS HOW THE REFERENDUM QUESTION WILL BE  
WORDED BECOME CRUCIAL AS DOES THE TIMING OF THE VOTE.

8. STATED SIMPLY, PQ STRATEGY AS REFERENDUM APPROACHES WILL BE  
TO GOVERN WELL, INCREASE ECONOMIC PROSPERITY, BLAME OTTAWA FOR ITS  
FAILURES, AND RAISE NATIONALISTIC FERVOR OF QUEBECOIS TO  
FEVER PITCH. AS MENTIONED ABOVE, EVERY POSSIBLE OPPORTUNITY WILL  
BE TAKEN TO "EDUCATE" QUEBECOIS CONCERNING CONSTRAINTS  
FEDERALISM PLACES ON GOQ'S FREEDOM OF ACTION. THE GOQ IS  
REPORTED TO BE ORGANIZING A MAJOR EDUCATIONAL EFFORT UTILIZING AVAIL-  
ABLE  
DOCUMENTATION TO PROVE THAT FEDERALISM HAS BEEN AND WILL BE HIND-  
RANCE TO QUEBEC'S DEVELOPMENT. AS FAR AS THE GOQ CAN CONTROL THE  
TIMING OF THE REFERENDUM, THE POPULATION WILL BE WELL-PREPARED  
TO RESPOND AFFIRMATIVELY. THE FINAL PREPARATORY STEPS WILL BE  
THE WORDING ITSELF OF THE REFERENDUM PROPOSAL.

CONFIDENTIAL

PAGE 01 QUEBEC 00019 02 OF 04 180755Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
-----180759Z 075835 /17

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C O N F I D E N T I A L SECTION 2 OF 4 QUEBEC 0019

STADIS////////////////////////////////////

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9. TIED IN WITH THE TIMING OF THE REFERENDUM  
AND ITS WORDING IS THE PROBLEM OF WHAT USE TO MAKE OF IT. AS OUTLINED

IN DETAIL IN QUEBEC 345, THE PQ PLATFORM ADOPTED IN 1974 CALLED  
FOR A PQ GOVERNMENT TO APPROACH OTTAWA IMMEDIATELY UPON ELECTION  
TO BEGIN NEGOTIATIONS FOR QUEBEC'S INDEPENDENCE. THE RESULTS OF  
THE NEGOTIATIONS WERE THEN TO BE JUDGED BY THE ELECTORATE IN A REFER-  
ENDUM CONCEIVED THEN TO BE WORDED AS SIMPLY AS POSSIBLE TO  
POSE QUESTION INDEPENDENCE: YES OR NO? AS THE ELECTION  
CAMPAIGN PROGRESSED AND WITH THE UNEXPECTED VICTORY OF NOVEMBER  
15, THE THINKING ON WHAT USE PQ WOULD MAKE OF REFERENDUM  
BEGAN TO EVOLVE. IT NOW APPEARS THAT PARTI QUEBECOIS  
LEADERS MAY ONLY WISH TO USE THE REFERENDUM TO OBTAIN "PERMISSION"  
FROM THE POPULATION TO BEGIN FORMAL NEGOTIATIONS WITH OTTAWA  
RATHER THAN CASING FINAL JUDGEMENT ON RESULTS OF SUCH NEG-  
OTIATIONS OR, IF NEGOTIATIONS BROKE DOWN, ON DECLARING UNILATERALLY  
QUEBEC'S INDEPENDENCE. PRESUMABLY MAY'S PARTY CONGRESS WILL ADOPT

AMENDMENTS TO BRING PARTY PLATFORM IN LINE WITH THIS FIRST  
SCENARIO. PARTY RADICALS WILL PROTEST AND SOME MIGHT  
CONFIDENTIAL

PAGE 02 QUEBEC 00019 02 OF 04 180755Z

EVEN LEAVE PARTY, BUT MOST ARE UNLIKELY TO WISH CHALLENGE  
DIRECTLY LEADERSHIP WHICH HAS ALREADY BROUGHT THEM TO POWER AND WELL  
ALONG ROAD TO ULTIMATE GOAL.

10. BEFORE FQRTHER DISCUSSION OF REFERENDUM AND ECUCATIONAL  
TACTICS, IT SHOULD BE NOTED THAT OTTAWA'S ATTITUDES, ACTIONS AND  
REACTIONS WILL PLAY AN EVEN MORE IMPORTANT ROLE THAN QUEBEC'S  
INITIATIVES IN DETERMINING THE FINAL OUTCOME OF THE WHOLE QUESTION.  
LEVESQUE'S STRATEGY, AS WE UNDERSTAND IT SO FAR, IS BASED ON HIS  
ANALYSIS THAT TRUDEAU'S GOVERNMENT WILL REMAIN INFLEXIBLY  
HOSTILE TO ANY SORT OF ACCOMMODATION WITH QUEBEC'S ASPIRATIONS.  
NOTHING TRUDEAU HAS SAID SO FAR SHOULD DISSAPOINT LEVESQUE.  
IT SEEMS TO US THAT CURRENT FEDERAL STRATEGY IS PLAYING RIGHT INTO  
LEVESQUE'S HANDS. THE PREMIER CAN CONSTANTLY DEMAND AND PROBE,  
YET KEEP HIMSELF IN THE POSITION OF HAVING THE FINAL WORD ON  
OTTAWA'S OFFERS - IF ANY ARE FORTHCOMING. AT ANY RATE, LEVESQUE  
WILL CONTINUE TO PASS JUDGEMENT ON OTTAWA'S ACTIONS  
AND THEIR IMPLICATIONS SO AS TO "EDUCATE"  
THE QUEBECOIS ON THE NECESSITY FOR QUEBEC SOVERIEGNTY.  
IF LEVESQUE IS ABLE TO WIN A REFERENDUM TO OPEN NEGOTIATION  
WITH OTTAWA, OTTAWA WOULD BE HARD PRESSED IN OUR VIEW -  
TO REFUSE TO DO SO. YET SHOULD A REELECTED  
TRUDEAU BE AT THE HELM, ANYTHING MIGHT  
BE POSSIBLE.

11. WHILE IT IS NOT WITHIN THE SCOPE OF THIS PART OF THE PAPER TO  
DISCUSS FEDERAL ALTERNATIVES, A MEANINGFUL DISCUSSION OF QUEBEC  
ACTIONS CANNOT BE ISOLATED FROM DYNAMICS OF RELATIONSHIP  
BETWEEN OTTAWA/QUEBEC AND, FOR THAT MATTER, THE OTHER  
PROVINCES. IF LEVESQUE'S STRATEGY IS BASED ON AN INFLEXIBLE  
TRUDEAU'S REACTIONS, WHAT WILL HAPPEN IF JOE CLARK WINS THE  
NEXT ELECTION? WITH CLARK'S APPARENT PREDICATION  
FOR DECENTRALIZATION, PQ WOULD HAVE TO CHANGE STRATEGY SOME-  
WHAT. WHILE THEY WOULD STILL OPPOSE OTTAWA  
(IT IS NAIVE TO THINK THAT CLARK  
OR ANYONE ELSE WOULD MEET ALL OF QUEBEC'S OBJECTIVES),  
CONFIDENTIAL

PAGE 03 QUEBEC 00019 02 OF 04 180755Z

PQ POSITION WOULD NOT BE SO DRAMATICALLY OPPOSED TO PC IDEAS,  
HENCE WINNING A REFERENDUM WOULD BECOME MUCH MORE DIFFICULT. A  
JOHN TURNER LIBERAL GOVERNMENT MIGHT ALSO UNBLOCK  
CURRENT CONSTITUTIONAL LOG JAM. THE COMMON FRONT  
OF PREMERS IN DECEMBER MIGHT PRESAGE- EVEN  
THOUGHT IT WEAKENED AT END OF TALKS- SOME SORT OF FUTURE PRO-  
VINCIAL COMMON CAUSE TO LOOSEN CONFEDERAL TIES TO POINT WHERE,  
ONCE AGAIN PQ COULD BE HARD PRESSED TO CONVINCE MAJORITY OF

QUEBECERS TO ACCEPT REFERENDUM PROPOSALS NO MATTER HOW WORDEN?. 1  
WHILE WE ARE NOT PREDICTING ANY OF THESE DEVELOPMENTS,  
RECOGNITION OF THEIR EXISTENCE POINTS OUT THE MANY VARIABLES  
WHICH COULD CHANGE TACTICS AND ALTER ODDS ON PROBABLE OUTCOME.

12. IF OTTAWA WERE TO SHOW FLEXIBILITY ON MYROAD OF PROVINCIAL-  
FEDERAL ISSUES, UNDER EITH TRUDEAU, OR TURNER BEFORE REFERENDUM  
WERE HELD, GOQ WOULD PROBABLY POCKET THE GAINS HAPPY IN THE KNOW-  
LEDGE THAT SOME ISSUES WHICH WOULD HAVE COME UP IN THE FINAL  
NEGOTIATIONS WITH OTTAWA FOR INDEPENDENCE SWOULD HAVE ALREADY  
BEEN SETTLED. IN THE VIEW OF MANY OBSERVERS, QUEBEC'S  
EVENTUAL "INDEPENDENCE" MAY BE MADE POSSIBLE BY A STEP-BY-STEP,  
ISSUE-BY-ISSUE NEGOTIATION PROCESS WHICH WILL FINALLY ARRIVE  
AT AN INCREASINGLY LOOSEENED CONFEDERATION BEFORE THE FINAL  
BOND OF POLITICAL SOVEREIGNTY IS BROKEN. IN THIS VIEW, FORMAL  
TALKS WOULD ACCEPT A FINAL SPLIT EVEN WHILE CONFIRMING PERMANENT  
ECONOMIC LINKS.

13. IN FURTHER DISCUSSING MODALITIES OF REFERENDUM PROCEDURE, IT  
SHOULD BE STRESSED THAT RENE LEVESQUE AND HIS PARTI QUEBECOIS  
ARE COMMITTED TO HAVING A REFERENDUM SOMETIME WITHIN THE FIVE YEARS  
OF HIS FIRST TERM. THERE IS NO WAY HE CAN  
AVOID IT UNLESS HE WANTS TO SEE THE PARTY WEAKENED BY DISSENSION  
FROM IMPATIENT RADICALS AND LOOSE ITS CREDIBILITY VIS A VIS  
THE ELECTORATE. THE TIMING AND STRUCTURE OF THE REFERENDUM AS  
WE HAVE SAID ARE STILL UNKNOWN. IT IS CURRENTLY ASSUMED THAT THE  
PQ WOULD PREFER TO HOLD IT IN ITS THIRD YEAR OF GOVERNING-  
SOMETIME BETWEEN NOVEMBER 1978 AND NOVEMBER 1979. THIS  
CONFIDENTIAL

PAGE 04 QUEBEC 00019 02 OF 04 180755Z

WOULD GIVE THE PQ GOVERNMENT TIME BEFORE REFERENDUM TO  
ESTABLISH AND MANIPULATE INUDENT AND THE FLOW OF INFORMATION  
INTENDED TO EDUCATE AND CONVINCE QUEBECOIS THAT QUEBEC NEEDS  
A NEW CONSTITUTIONAL ARRANGEMENT. THIS TIMING WOULD ALSO  
PERMIT PQ GOVERNMENT TO DISPOSE OF REFERENDUM BEFORE NEXT PROVINCIAL  
ELECTION WHICH LEVESQUE SAYS HE INTENDS TO HOLD IN 1980.  
PQ STRAGISTS ALSO PRESUMABLY ARE HOPING ECONOMIC CONDITIONS  
WILL IMPROVE OVER THE NEXT 2/3 YEARS. UNEMPLOYMENT AND  
GENERALLY DEPRESSED ECONOMIC CONDITIONS COULD HARM THE  
CHANCES OF A SUCCESSFUL REFERENDUM BY REMINDING QUEBECOIS OF THEIR  
ECONOMIC DEPENDENCE AND VULNERABILITY.

14. WHILE GOQ CAN CONTROL INTERNAL FACTORS LEADING TO A REFERENDUM,  
IT IS DESIRED TIMING FOR REFERENDUM COULD BE CHALLENGED  
BY SEVERAL OUTSIDE FACTORS. GOQ MAY WELL HAVE TO TAKE  
UNPOPULAR MEASURESIN FIRST SEVERAL YEARS TO CORRECT ECONOMIC  
OR SOCIAL PROBLEMS- MEASURES WHICH COULD DIMINISH ITS CHANCES OF  
SUCCESS IN SHORT RUN. OTTAWA, SOME OTHER PROVINCIAL GOVERNMENTS,  
AND OPPOSITION LEADERS IN QUEBEC MAY PRESS FOR A REFERENDUM TO  
BE HELD AS SOON AS POSSIBLE IN ORDER TO "DEFEAT SEPARATISM" AND  
REESTABLISH POLITICAL AAND ECONOMIC STABILITY. THIS WILL, OF  
COURSE, RUN CONTRARY TO LEVESQUE'S DESIRE TO HOLD OFF AS LONG

AS POSSIBLE IN ORDER TO BE BETTER PREPARED.  
THE TIMING OF THE REFERENDUM MAY ALSO BE CHALLENGED BY  
FINANCIAL AND INVESTMENT COMMUNITIES WHOSE AID IS NEEDED BY GOQ  
TO FINANCE ITS OPERATIONS AND AID IN RECHARGING ECONOMY. UN-  
CERTAINTY IS ALREADY BEING DESCRIBED AS A MAJOR FACTOR FACTOR IN  
IMPEDING INVESTMENTS AND INFLUENCING THE COST AND AVAILABILITY  
OF VITAL OUTSIDE FINANCING. IT IS ALSO CONVEIVABLE THAT POPULAR  
EMOTION COULD REACH SUCH A PITCH OVER SOME ISSUE SUCH AS LANGUAGE  
OF AIR CONTROL THAT LEVESQUE WOULD BE FORCED TO HAVE A REFER-  
ENDUM AS SOON AS POSSIBLE. THIS WOULD, OF COURSE,  
RISK A COOLING OFF OF SAID EMOTION BEFORE DAY OF VOTE.

15. A REFERENDUM LOSS COULD BE CRITICAL, IF NOT FATAL, TO  
LEVESQUE AND HIS PARTY. FROM ITS FOUNDATION IN 1968 TO NOW,  
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PAGE 05 QUEBEC 00019 02 OF 04 180755Z

PQ HAS HAD A STEADY MOMENTUM OF PROGRESS. WHILE IT WOULD NOT KILL  
IDEA OF INDEPENDENCE, A REFERENDUM DEFEAT COULD BREAK THIS  
MOMENTUM OF SUCCESS. IN TURN, A  
DEFEAT WOULD ALMOST CERTAINLY ENCOURAGE A CHALLENGE TO  
LEVESQUE'S LEADERSHIP WITH ALL THE RESULTING TROUBLES  
THIS WOULD BRING FOR BOTH PARTY AND GOVERNMENT. THEREFORE, THE PQ  
MUST NOT ONLY CHOSE THE PROPICOUS MOMENT TO HOLD REFERENDUM  
BUT MUST CAREFULLY PHRASE THE WORDING OF THE PROPOSITION.  
IT SEEMS NOW THAT PQ MAY BE PLANNING TO SEPND TWO YEARS PREPARING  
OR EDUCATING THE POPULATION ONLY TO ASK THEM FOR PERMISSION BO BEGIN  
TALKS WITH OTTAWA, RATHER THAN TO RATIFY COMPLETED TALKS.  
QUESTION WILL BE CAREFULLY STRUCTURED SO AS TO IMPLY AS MINIMAL  
A BREAK WITH FAMILIAR PATTERNS AS POSSIBLE, YET JUSTIFY THE  
NEED FOR A CHANGE. AN EXAMPLE MIGHT BE: "GIVEN DOCUMENTED INABILITY  
OF GOQ TO TAKE NECESSARY MOVES TO PROTECT FRENCH  
CULTURE AND SPUR QUEBEC'S ECONOMIC DEVELOPMENT, DO YOU APPROVE  
GOVERNMENT PROPOSAL TO OPEN NEGOTIATIONS WITH OTTAWA TO OBTAIN  
POLITICAL SOVEREIGNTY WITHIN AN ECONOMIC ASSOCIATION WITH THE REST OF  
CANADA?" THIS WOULD PROPOSE BOTH INDEPENDENCE AND CONTINUED  
ASSOCIATION - AN ATTEMPT TO SATISFY THE INDEPENDENSTISTS  
WHILE REASSURING THE LINGERING DOUBTS AND FEARS HELD BY A LARGE NUMBER  
OF QUEBECOIS, EVEN AMONG THE MOST ARDENT NATIONALISTS.  
SUCH A QUESTION MIGHT WELL ELICIT A POSITIVE RESONSE.

16. IT COULD PREPARE WAY FOR LEVESQUE AND THE PQ TO WIN A SECOND  
TERM DURING WHICH THEY COULD HOLD A FURTHER SERIES OF CAREFULLY  
CONSTRUCTED REFERENDA APPROVING EACH MOVE IN A STEP BY STEP  
NEGOTIATION PROCESS WITH OTTAWA. THE REFERENDUM IS NOT NEC-  
ESSARILY SEEN HERE AS A ONE-SHOT PROPOSITION. WITH THE ADVANTAGE  
OF INCUMBENCY, PQ MIGHT-IF IT CAN MAINTAIN THE SUPPORT OF ITS OWN  
RADICAL WING- STRING OUT REFERENDUM/EDUCATION/REFERENDUM PROCESS  
SO AS TO NEVER TOO FAR AHEAD OF PUBLIC OPINION. THE  
PROCESS ITSELF WOULD CONDITION PEOPLE TO THE IDEA OF INDEPENDENCE  
AND COULD WEAR DOWN INTERNAL QUEBEC AS WELL AS CANADIAN RESIS-  
TENCE. WHETHER PQ CAN STAY IN POWER DURING THIS LENGTHY

CONFIDENTIAL

PAGE 06 QUEBEC 00019 02 OF 04 180755Z

PROCESS WILL NO DOUBT DEPEND ON ITS MANAGEMENT OF PROVINCIAL AFFAIRS AND ITS ABILITY TO PUT BLAME ON OTTAWA RATHER THAN ITSELF FOR THINGS THAT GO WRONG.

17. REFERENDUM OR SERIES OF REFERENDA WILL BE CONSTRUCTED AS A POPULAR CONSULTATION DESIGNED TO ESTABLISH THE GOQ'S RIGHT TO MAKE A FUNDAMENTAL DECISION. IT WILL NOT BE LEGALLY BINDING ON PQ GOVERNMENT OR NATIONAL ASSEMBLY.

CONFIDENTIAL

PAGE 01 QUEBEC 00019 03 OF 04 180543Z

ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W

-----180548Z 074725 /22

P 171838Z JAN 77

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AMCONSUL MONTREAL

CONFIDENTIAL SECTION 3 OF 4 QUEBEC 0019

STADIS////////////////////////////////////

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LEVESQUE HAS SAID THAT IF HE LOSES FIRST REFERENDUM, PARTY WILL RETURN TO TASK OF EDUCATING PEOPLE AND HOLD A SECOND ONE (HE HAS PROMISED THAT HE WILL HOLD ONLY ONE IN FIRST TERM OF HIS GOVERNMENT). PQ WOULD, OF COURSE, REFUSE TO BE TIED TO RESULTS OF ANY FEDERALLY-INSTIGATED REFERENDUM OR, AS SOME HAVE FORECASTED, BY IMPLIED RESULTS OF THE FEDERAL ELECTION WHICH WILL BE HELD IN NEXT TWO YEARS.

18. AS REFERENDA ARE BOTH A POPULAR CONSULTATION AND AN EDUCATION TOOL, BUT NOT AN ELECTION, PERCENT OF VICTORY (AND OF TOTAL NUMBER OF VOTERS) WILL BE VERY IMPORTANT. WOULD 51 PERCENT IN FAVOR OF PQ PROPOSITION BE A SIGNIFICANT MAJORITY? WOULD 90 PERCENT? PERCENTAGE OF VOTES IN FAVOR OR OPPOSED IN REFERENDUM OR SERIES OF REFERENDA WILL BE WEIGHED BY OTTAWA AND QUEBEC CITY AS THEIR NEXT MOVES. EVENTUALLY, PERCENTAGE RESULTS COULD ALSO INFLUENCE INTERNATIONAL REACTION TO AND ACCEPTANCE OF OUTCOME OF OTTAWA/QUEBEC FACEOFF. SHOULD AN OVERALL VOTE BE CLOSE, SOME PEQUISTES MAY EVEN ATTEMPT TO DIFFERENTIATE TRENDS IN THE FRANCOPHONE VOTE EXCLUDING ANGLOPHONE AND OTHER NON-FRANCOPHONE QUEBECERS ON THE BASIS THAT THE REFERENDUM SHOULD BE AN EXPRESSING OF THE RIGHT OF SELF DETERMINATION OF LA NATION QUE-

CONFIDENTIAL

PAGE 02 QUEBEC 00019 03 OF 04 180543Z

BECOISE.

19. THE REFERENDUM CAMPAIGN WILL NO DOUBT BE A HARD ONE AND THE OUTCOME COULD BE CLOSE. IT APPEARS TODAY THAT QUEBECOIS WOULD NOT

ACCEPT UNCONDITIONAL INDEPENDENCE IF ASKED. THE PQ GOVERNMENT WILL TRY TO CHANGE THEIR OPINION AND LEAD QUEBECKERS TOWARD SOME SORT OF INDEPENDENCE BY BEING A GOOD GOVERNMENT AND, AT THE SAME TIME, DEMONSTRATING THAT FEDERAL CONSTRAINTS ARE TOO RIGID FOR GOQ TO TAKE ACTIONS NEEDED BY QUEBEC. IF THIS IS CAREFULLY ORCHESTRATED, IT COULD CAUSE MORE AND MORE QUEBECOIS TO OPT FOR CONSTITUTIONAL CHANGES PQ SEEKS. FOR THESE REASONS, PQ LEADERS HAVE ALWAYS TALKED ABOUT THE NEED TO EDUCATE THE PEOPLE. THIS CAN BE DONE BY OPEN PUBLICITY EFFORTS, BY ATTACKING OR COUNTERATTACKING FEDERAL POSITIONS, AND BY USE OF THE REFERENDUM PROCEDURE ITSELF. AT THE SAME TIME, THE PQ MAY ATTEMPT TO APPEAL TO TRIBAL INSTINCTS TO STIR UP EMOTIONAL FERVOR IN SUPPORT OF NATIONALIST GOALS. SUCCESS IN THIS REGARD COULD MAKE IT DIFFICULT FOR QUEBECOIS TO RESIST GROUP PRESSURES FOR SOLIDARITY, PARTICULARLY SHOULD ANGLOPHONES REACT IN SIMILAR MANIFESTATIONS OF DEPRECIATED FEELINGS OF ANTAGONISM WHICH HAVE HISTORICALLY BEDEVILED INTERCOMMUNAL REALTIONS IN CANADA.

20. PRESS REPORTS HAVE STATED THAT GOQ INTENDS TO PUT THE FEDERAL SYSTEM ON "TRIAL". AS REPORTED IN QUEBEC 405, PAPERS WRITE EXHAUSTIVE STUDY WOULD BE MADE OF FEDERAL/ PROVINCIAL RELATIONS ON A SECTOR BY SECTOR BASIS. STUDY WOULD BE DESIGNED TO DEMONSTRATE TO QUEBECOIS THE CONSTRAINTS FEDERALISM PUTS ON ACTIONS BY GOQ TO RESOLVE QUEBEC'S PROBLEMS. SECTIONS OF THE REPORT WOULD BE RELEASED AS COMPLETED. AFTER THE SECTOR BY SECTOR STUDY, A RESUME COMPLETE WITH RECOMMENDATIONS FOR ACTION WOULD BE PUBLISHED. THIS WOULD BE A KEY DOCUMENT IN THE REFERENDUM CAMPAIGN. WHILE THIS SCENARIO LEAKED TO PRESS MAY NOT BE FULLY ACCURATE, IT SEEMS PROBABLE THAT GOQ WILL INCLUDE SOME SORT OF EDUCATION CAMPAIGN ALONG THESE LINES. HOWEVER, FOLLOWING

CONFIDENTIAL

PAGE 03 QUEBEC 00019 03 OF 04 180543Z

CRITICISMS VOICED HERE OF TRIAL PROCEDURE, PQ MAY TRY TO MAKE PROCESS LESS NEGATIVE SOUNDING.

21. IN ADDITION TO OVERTLY, ANTI-FEDERAL PROPAGANDA SUCH AS TRIAL PROCEDURE, GOQ CAN BE EXPECTED TO TAKE EACH SET-BACK OR MISTEP IN FEDERAL PROVINCIAL RELATIONS AS EXAMPLE OF FAILURE OF FEDERALISM. IF ECONOMIC SITUATION CONTINUES TO DETERIORATE, PQ CAN BE EXPECTED TO ATTEMPT TO BLAME FEDERAL ACTION OR INACTION FOR THAT, TOO, IMPLYING THAT GOQ WOULD HAVE TAKEN DIFFERENT MEASURES IF IT HAD HAD CONTROL OVER THIS DOMAIN.

GOQ WILL ATTEMPT MORE SUBTLY TO USE FEDERAL MISTAKES OR REACTIONS TO PROVE ILL WILL OF OTTAWA AND REST OF CANADA TOWARD FRENCH-CANADIANS-(QUEBECOIS). IT WILL MAGNIFY EVERY REAL OR IMAGINED SLUR- AS IN THE AIR CONTROLLERS SITUATION- TO FURTHER DEVELOP "TRIBAL" FEELINGS OF QUEBECOIS. GOQ COULD WELL BE AIDED IN THIS BY INTRASINGENCE OF FEDERAL LIBERAL LEADERSHIP WHICH IS HEAVILY FRENCH-CANADIAN. FOR EXAMPLE, GERARD BERGERON OF LAVAL UNIVERSITY HAS WRITTEN THAT TURDEAU GIVES AWAY 1000 VOTES TO INDEPENDENCE CAUSE EACH TIME HE SPEAKS OF HORRIBLE SEPARATISTS INSTEAD OF INDEPENDENTISTS OR SOUVEREIGNISTS AS THEY PREFER TO BE CALLED; PERHAPS 10,000 WHEN HE ACCUSES LEVESQUE OF WANTING TO DESTROY CANADA. WHILE BERGERON NO DOUBT EXAGGERATES, HIS POINT THAT TRUDEAU, ET AL ARE NO LONGER IN TOUCH WITH QUEBEC REALITY DOES APPEAR TO BE FOUNDED IN FACT.

22. WHENEVER THE REFERENDUM IS HELD AND WHATEVER IT ASKS, ITS VERY EXISTENCE WILL BE A STEP AWAY FROM THE STATUS QUO. IT IS IMPOSSIBLE TO KNOW HOW FAR THIS PATH WILL LEAD OR WHAT THE PQ AND QUEBEC POPULATION WILL ACCEPT IN WAY OF POLITICAL SOVEREIGNTY OR INDEPENDENCE. THE 15-20 PERCENT OF THE PARTI QUEBECOIS WHICH IS OFTEN DUBBED RADICAL CLEARLY WANTS COMPLETE, TOTAL AND UNFETTERED INDEPENDENCE. SOME REJECT ANY FORM OF FUTURE ASSOCIATION. HOWEVER, RECOGNIZING QUEBEC'S ECONOMIC WEAKNESSES AND THEIR OWN UNCERTAINTY, PQ LEADERS HAVE SPOKEN OF A WIDE VARIETY OF EVENTUAL SOLUTIONS TO QUEBEC'S HISTORIC DESIRE TO BE MASTER OF ITS CONFIDENTIAL

PAGE 04 QUEBEC 00019 03 OF 04 180543Z

OWN DESTINY. THE PREVIOUS LIBERAL GOVERNMENT AND ITS UNION NATIONALE PREDECESSORS WERE INVOLVED IN SIMILAR ATTEMPTS TO DEFINE THEIR VIEW OF QUEBEC, CANADA, AND CONFEDERATION.

FORMER PREMIER BOURASSA FAVORED AN ARRANGEMENT HE CALLED "CULTURAL SOVEREIGNTY". WHILE THE PQ GOAL IS INDEPENDENCE WITH FUTURE ASSOCIATION, IT REMAINS TO BE SEEN HOW MUCH INDEPENDENCE AND WHAT DEGREE OF ASSOCIATION IT WILL FAVOR.

23. LEVESQUE IS INSISTING ON POLITICAL SOVEREIGNTY. HOWEVER, BEING REALISTS, MAJORITY OF PQ LEADERSHIP (AND QUEBECERS IN GENERAL) ARE AWARE OF THE CURRENT ECONOMIC DEPENDENCE OF QUEBEC ON ITS CANADIAN AFFILIATION. THEREFORE, LEVESQUE HAS MADE CLEAR THAT PQ PROGRAM CALLS FOR CONTINUATION OF THE ECONOMIC SUBSTANCE OF CANADIAN AFFILIATION VIA SOME FORM OF ECONOMIC ASSOCIATION OR COMMON MARKET WITH THE REST OF CANADA. THIS IS IN ACCORD WITH THE CURRENT QUEBECOIS PERCEPTION OF THEIR INTERESTS. IT IS POSSIBLE, HOWEVER, THAT AS QUEBECOIS BECOME MORE EMOTIONALLY INVOLVED IN THEIR "NATIONALIST STRUGGLE" THEIR PERCEPTION OF THEIR ECONOMIC INTEREST WILL CHANGE. PERCEPTION OFTEN AT VARIANCE WITH OBJECTIVE REALITY. IT ALSO REMAINS TO BE SEEN WHETHER ENGLISH CANADA WILL BE WILLING TO GIVE A POLITICALLY INDEPENDENT QUEBEC THE TYPE OF ECONOMIC ASSOCIATION IT WANTS. ANGLOPHONE

EMOTIONAL REACTION AT THAT STAGE OF NEGOTIATIONS WILL PLANY  
IMPORTANT PART IN DETERMING THEIR EVENTUAL OUTCOME. THE ASSO-  
CIATION UNDER DISCUSSION COULD INCLUDE COMMON MARKET, A  
MONETARY UNION, OR SOME UNKNOWN VARIABLE.

24. RENE LEVESQUE HAS SAID THAT THEIR IS NO HALF-WAY HOUSE  
BETWEEN FEDERALISM AND SELF-GOVERNMENT, THAT ONE CAN NOT BE HALF  
IN AND HALF OUT. HE BELIEVES THAT WHAT IS OFTEN CALLED SPECIAL STATUS

IS NOT FEASIBLE IN AN "OLD FASHION FEDERAL STRUCTURE" SUCH AS  
CANADA WHICH HE DOES NOT SEE LOOSENING UP ENOUGH IN ANY WAY  
TO GIVE A DECENT AND RESPECTABLE FRAMEWORK  
CONFIDENTIAL

PAGE 05 QUEBEC 00019 03 OF 04 180543Z

FOR WHAT QUEBEC SEEKS AS ITS NATIONAL AFFIRMATION. NONETHELESS,  
DISCUSSION OF SPECIAL STATUS OR ALTERNATIVE SOLUTIONS BEYOND  
ECONOMIC MATTERS CONTINUE TO BE DISCUSSED.

25. SOME OBSERVERS HAVE SUGGESTED THAT THE EVENTUAL  
COMPROMISE SOLUTION MIGHT LEAVE FOREIGN AND DEFENSE AFFAIRS UNDER  
OTTAWA'S JURISDICTION. HOWEVER, QUEBEC WOULD CERTAINLY  
TOLERATE NO FETTERS ON ITS INTERNATIONAL CULTURAL MANEUVERABILITY.  
MORE THAN LIKELY, PQ WILL ATTEMPT TO GATHER IN AS MUCH CONTROL  
OF QUEBEC'S FOREIGN RELATIONS AS IT CAN AND AS MUCH AS  
IT BELIEVES IT CAN CONVINCE QUEBECOIS TO SUPPORT. DEFENSE  
SHARING AND/OR JOINT-COMMAND ARRANGEMENT SEEMS MORE LIKELY  
TO APPEAL TO PQ IN DEFENSE FIELD RATHER THAN JUST LEAVING SUCH  
RESPONSIBILITIES WITH OTTAWA. THESE PARTS OF PQ PLATFORM ARE DUE TO BE  
E  
FURTHER DEVELOPED AT MAY CONGRESS. SEE 1975 QUEBEC A-66)

CONFIDENTIAL

PAGE 01 QUEBEC 00019 04 OF 04 180604Z  
ACTION SS-25

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C O N F I D E N T I A L SECTION 4 OF 4 QUEBEC 0019

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26. LEVESQUE'S GOAL OF POLITICAL SOVERIEGNTY EXTENDS

WELL BEYOND BOURASSA'S GOAL OF CULTURAL SOVEREIGNTY (WHICH SOUGHT "CONTROL" OVER CULTURAL AFFAIRS, COMMUNICATIONS, AND IMMIGRATION) AND WILL INCLUDE SUCH ITEMS AS AN INDEPENDENT JUDICIAL SYSTEM WITH NO FEDERAL REVIEW, COMPLETE LEGAL AUTONOMY ON AND OVER QUEBEC TERRITORY, AND THE RIGHT TO CHANGE THE STRUCTURE OF QUEBEC'S GOVERNMENT TO PRESIDENTIAL RATHER THAN PARLIMENTARY. UNTIL NOW, CANADIAN FEDERATION UNDER TRUDUE'S LEADERSHIP HAS NOT BEEN WILLING TO GRANT QUEBEC THE POWERS BOURASSA SOUGHT UNDER HEADING OF CULTURAL SOVERIGNTY, LET ALONE POLITICAL SOVEREIGNTY AS LEVESQUE MIGHT DEFINE IT. IF FEDERAL GOVERNMENT CONTINUES TO BE UNBENDING, ALTERNATIVE SOLUTIONS TO INDEPENDENCE COULD BE OUT OF QUESTION, AND SUPPORT FOR PQ POSITION WOULD GROW, HOWEVER, SOME POLITICAL SCIENTISTS BELIEVE THAT IF FEDERALISM PROVES MORE ADAPTABLE THAN PREVIOUSLY, QUEBEC COULD OBTAIN THE DEGREE OF SELFDETERMINATION SOUGHT BY BOURASSA AND APPROACH LEVESQUE'S GOAL (PROBABLY THROUGH RENEGOTIATION OF WHOLE CONFEDERATION). SHOULD THAT HAPPEN, LAVAL UNIVERSITY POLITICAL SCIENTISTS LEON DION BELIEVES GOQ WILL HAVE ACHIEVED QUEBEC'S LONG STANDING GOAL OF SELF-DETERMINATION AND NEITHER REFERENDUM NOR INDEPENDENCE WOULD BE NEEDED. DION NOTES CONFIDENTIAL

PAGE 02 QUEBEC 00019 04 OF 04 180604Z

THAT INDEPENDENCE WAS A MEANS, NOT A GOAL.

27. THIS FORMULA DEMANDS AN AMOUNT OF FLEXIBILITY FROM OTTAWA AND QUEBEC WHICH IS NOT EVIDENT AT PRESENT. IT SEEMS UNLIKELY TRUDEAU WOULD BE WILLING TO MAKE COMPROMISES NECESSARY TO COMPOSE PACKAGE ATTRACTIVE ENOUGH TO SERVE AS AN ALTERNATIVE TO PQ'S DEMANDS FOR POLITICAL SOVEREIGNTY. SHOULD A MORE FLEXIBLE ANGLOPHONE SECEDE THE PRIME MINISTER, HE MIGHT BE ABLE TO SATISFY QUEBEC WITH GENEROUS OFFERS OF POWERS WHICH WOULD SAFEGUARD ITS CULTURE AND WITH STRONG EXPRESSION OF ANGLOPHONE GOODWILL. THESE MIGHT BE STRONG ENOUGH TO CONVINCE A MAJORITY OF QUEBECOIS THAT THEIR BEST INTERESTS ARE SERVED INSIDE A MUCH LOOSENED CANADIAN CONFEDERAL ARRANGMENT. ONE MIGHT EVEN FIND WITH A LITTLE INGENUITY AN ARRANGEMENT WHICH LESVESQUE COULD CALL SOVEREIGN AND CANADIANS COULD DESCRIBE AS CONFEDERAL. HOWEVER, THERE ARE NO SIGNS AT PRESENT OF THE KIND OF FLEXIBILITY AND GOOD WILL REQUIRED TO BRING OFF SUCH A SETTLEMENT. THUS, WE BELIEVE THE MOST LIKELY OUTCOME WILL BE A RATHER MESSY PERIOD LEADING TO AN EVENTUAL ASSUMPTION OF INDEPENDENCE AFTER A REFERENDUM OR REFERENDA. WHETHER COOLER HEADS WILL FINALLY PREVAIL TO SALVAGE SOME OF THE ECONOMIC ADVANTAGES OF CONFEDERATION IS DIFFICULT TO PREDICT. INITIALLY, THIS TOO SEEMS LESS LIKELY THAN A MOMUMENTAL SQUABBLE BETWEEN SEVERAL PIECES OF AN UNRAVELING CANADA.

## B. QUEBEC ATTITUDES

1. INTEPLAY BETWEEN UNDERLYING HISTORICAL FORCES OF NATIONALISM AND ECONOMIC DETERMINISM MAY BE MORE IMPORTANT IN DETERMINING FUTURE OF QUEBEC AND CANADA THAN THE MANOUVERINGS OF MENT AND

POLITICAL PARTIES. ULTIMATELY, INDEPENDANTIST STRUGGLE MAY COME TO A DECISION BETWEEN HEART AND POCKETBOOK. OUTCOME OF SUCH A CHOICE IS UNCLEAR, BUT COULD BE GREATLY INFLUENCED BY ECONOMIC CONDITIONS IN PROVINCE OVER NEXT 2-3 YEARS AS STRUGGLE IS FULLY JOINED BY CONTENDING ADVOCATES AND ATTITUDES ARE FORMED PRIOR TO PROMISED REFERENDUM OR REFERENDA.  
CONFIDENTIAL

PAGE 03 QUEBEC 00019 04 OF 04 180604Z

2. IN OUR ERA, NATIONALISM HAS BECOME AN ALMOST INSTINCTIVE FORCE IN WORLD AFFAIRS. ECONOMIC DETERMINISM HAS COME TO BE RECOGNIZED AS A EQUALLY DECISIVE HISTORIC FORCE. NATIONALIST SENTIMENT HAS BEEN BUILDING FOR YEARS IN QUEBEC AND THE PRIDE WITH WHICH VIRTUALLY ALL QUEBECOIS LOOK UPON THE ELECTION OF THIS MOST NATIONAL OF GOVERNMENTS IS ONE OF THE PQ'S SUSTAINING FORCES. ON THE OTHER HAND, THE RELUCTANCE TO EMBARK ON ADVENTURES INTO THE UNKNOWN IS STILL STRONG IN CONSERVATIVE MIDDLE CLASS AND RURAL QUEBEC. FOR THE TIME BEING, NATIONAL PRIDE AND THE INEPTNESS OF THE FORMER GOVERNMENT HAVE PLACED NATIONALIST I.E. PQ FORCES IN THE ACCENDANCY. HOWEVER, WITH STORMY ECONOMIC SEAS COMMONLY PREDICTED FOR NEXT TWO-THREE YEARS, HARD TIMES MAY ENCOURAGE MANY TO CONSIDER A PURDENT TRIMMING OF SAIL.

3. ACTUALLY, MUCH WILL DEPEND ON HOW QUEBECOIS PERCEIVE, OR ARE LED TO PERCEIVE, THESE EXPECTED DIFFICULTIES. SHOULD THE PQ CONVINCE POPULATION, AS THEY WILL TRY, THAT FEDERAL GOVERNMENT IS RESPONSIBLE FOR MUCH OF THEIR WOE, THEN ECONOMIC ISSUES MAY TEND TO REINFORCE THE ALREADY STRONG NATIONALIST FORCES. CONVERSE, IF THE FEDERALIST COULD ARGUE SUCCESSFULLY THAT SEPARATISM AND THE ECONOMIC UNCERTAINTY WHICH IT ENGENDERS ARE MAJOR FACTORS IN EXACERBATING ECONOMIC DIFFICULTIES, THERE WOULD BE A BETTER THAN EVEN CHANCE THAT AN ALREADY DUBIOUS MAJORITY MIGHT SOUR ON INDEPENDENCE. CHANCES WOULD BE FURTHER ENHANCED BY A GENEROUS OFFER BY A MORE FLEXIBLE FEDERAL GOVERNMENT TO ALTER PRESENT CONFEDERAL ARRANGEMENTS ASSURING TO QUEBECERS CONSIDERABLE AUTONOMY IN RUNNING THEIR OWN AFFAIRS AND GRANTING MORE CONVINCING GUARANTEES OF CULTURAL SURVIVAL AND ETHNIC EQUALITY.

4. PRIME MINISTER TRUDEAU'S PRESENT HARD-NOSED ATTITUDE HOWEVER DOES NOT SUGGEST SUCH FLEXIBILITY IS LIKELY TO BE MADE AS LONG AS HE REMAINS IN POWER. SHOULD THIS ATTITUDE CONTINUE TO PREVAIL IN OTTAWA, THE JOB OF LEVESQUE AND HIS COHORTS WILL BE COMPARATIVELY EASY EVEN IN THE FACE OF ECONOMIC PRIVATION.  
CONFIDENTIAL

PAGE 04 QUEBEC 00019 04 OF 04 180604Z

WHEN CONFRONTED WITH WHAT QUEBECOIS PERCEIVE AS HOSTILITY FROM OTTAWA TO LEGITIMATE ASPIRATIONS, AGRESSIVELY PROUD QUEBECOIS MAY REACT WITH TIGHTER GROUP SOLIDARITY AND INCREASINGLY, WITH SIGNS OF DISSENT. THIS FRAME OF MIND MAY LEAD THEM EASILY TO THE VIEW THAT RESPONSIBLE FOR WHATEVER ECONOMIC PREVIATIONS

THEY MAY SUFFER DUE TO ANGLOPHONE EXPLOITATION THROUGH A FEDERAL INSTRUMENT DESIGNED TO PERPETUATE FRANCOPHONE INEQUITIES. FOLLOWING THIS TRAIN OF ANALYSIS, THE ONLY WAY TO COUNTERACT SUCH MALEVOLENT ANGLOPHONE ECONOMIC AND SOCIAL CONTROL IS TO PLACE POLITICAL POWER IN THE HANDS OF THE ONLY GOVERNMENT WHICH IS RUN EXCLUSIVELY BY AND FOR QUEBECOIS. E.I. THE GOQ.

5. SINCE OTTAWA'S PRESENT TACTICS SEEM LIKELY TO REINFORCE NATIONALIST ATTITUDES AMONG QUEBECOIS AND EVEN TO DEEPEN EXISTING ANTAGONISMS BETWEEN CANADA'S TWO FOUNDING PEOPLES, SAGGING ECONOMIC CONDITIONS MAY NOT PLAY AS GREAT A PART AS ONE MIGHT EXPECT IN DEFEATING SEPARATISM. AS PREVIOUSLY INDICATED, MUCH WILL DEPEND ON WHOM QUEBECOIS PERCEIVE AS BEING RESPONSIBLE FOR WHATEVER HARDSHIPS THEY SUFFER. IF THE FEDERAL GOVERNMENT CONTINUES TO APPEAR AS A THREATENING, PARSIMONIOUS, ANGLO DOMINATED INSTRUMENT, THE PQ SHOULD BE ABLE TO SHIFT RESPONSIBILITY FOR HARDSHIP TO THE FEDERAL LEVEL OF GOVERNMENT. HOWEVER, AS EVENTS EVOLVE A BLURRING OF RESPONSIBILITY BETWEEN PROVINCIAL AND FEDERAL GOVERNMENTS IS A REAL POSSIBILITY. A NEUTRALIZATION OF THIS ISSUE MIGHT EVEN OCCUR AS THE POPULATION IS SHELTERED FROM HARDSHIPS BY THE EXTENSIVE SOCIAL SERVICE WHICH EXIST. ANY ATTEMPT BY THE FEDERAL GOVERNMENT TO REDUCE FINANCIAL SUPPORT FOR THESE SERVICES WOULD BE RECEIVED AS A CHALLENGE TO QUEBEC AND COULD FURTHER ENCOURAGE SUPPORT FOR SEPARATISM.

6. WHAT SEEMS CERTAIN IS THAT THESE TWO HISTORIC FORCES- NATIONALISM AND ECONOMIC SELF INTEREST WILL CONTINUE TO PLAY MAJOR ROLES IN THE STRUGGLE FOR THE HEART, MIND AND SOUL OF QUEBEC. WITH THE VICTORY OF THE PQ, NATIONALISM IS IN THE AS-  
CONFIDENTIAL

PAGE 05 QUEBEC 00019 04 OF 04 180604Z

CENDANCY, HOWEVER, QUEBECIS HAVE TRADITIONALLY RESPONDED WITH "NORMAND PRUDENCE" TO THREATS TO THEIR ECONOMIC WELL BEING. NONETHELESS, MUCH WILL DEPEND ON THEIR PERCEPTION OF THEIR OWN INTERESTS AS OPPOSED TO THE INTEREST OF WHAT THEY HISTORICALLY HAVE VIEWED AS AN ECONOMY DOMINATED BY ANGLOPHONES. FINALLY, THERE ARE MANY EXAMPLES IN RECENT HISTORY WHERE "SUBJECT PEOPLES" HAVE CHOSEN THE PATH OF NATIONAL PRIDE OVER WHAT MOST OBSERVERS CONSIDERED TO BE THEIR ECONOMIC INTERESTS. THUS, AT PRESENT, NATIONALISM SEEMS LIKELY TO CARRY THE DAY. HOWEVER, FEDERALISTS DO HAVE STRONG CARDS THEY CAN PLAY, PARTICULARLY IF A MORE FLEXIBLE CONSTITUTIONAL POLICY IS ADOPTED. THE OBJECTIVE OF A BOTH PROVINCIAL AND FEDERAL LEADERS SHOULD BE TO SALVAGE AS MUCH OF THE

BENEFITS OF CONFEDERATION AS POSSIBLE WHILE ACCEPTING THAT BASIC CHANGES IN STRUCTURE AND CONSTITUTION STATUS ARE INEVITABLE. THE GREATEST DANGER IN THE PRESENT SITUATION IS THAT EMOTIONALISM ON ALL SIDES WILL DOMINATE REASON MAKING THE COMPROMISES NEEDED TO PRESERVE COOPERATION DIFFICULT IF NOT IMPOSSIBLE.  
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